BRADFORD R. FENOCCHIO, 1 Placer County District Attorney 2 State Bar No. 80027 11562 B Avenue 3 Auburn, CA. 95603-2687 4 Tel: (530) 889-7000 5 BY: CARL D. MAYHEW, DEPUTY DISTRICT ATTORNEY 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 FOR THE COUNTY OF PLACER 9 --000--10 THE PEOPLE OF THE 11 STATE OF CALIFORNIA, No. S CV 20205 12 Plaintiff, FINAL JUDGMENT 13 PURSUANT TO STIPULATION -vs-14 D.R. HORTON, a Delaware corporation, 15 And DOES I THROUGH X, INCLUSIVE, 16 Defendants. 17 18 Defendant, D.R. HORTON, Inc. - Sacramento, a California 19 corporation does hereby stipulate with the People of the State of 20 California (hereinafter "PEOPLE"), by and through their 21 representative, Placer County District Attorney Bradford R. 22 Fenocchio, by his Deputy Carl D. Mayhew, that judgment in the 23 above-entitled matter may be entered in favor of the PEOPLE and 24 against defendant D.R. HORTON, Inc. - Sacramento, on the following 25 terms and conditions: 26 / / / 27 28

JUDGMENT 1

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Defendant D.R. Horton, Inc. - Sacramento, without admitting liability, agrees that the PEOPLE shall have judgment without the taking of proof and without a trial or adjudication of any factual or legal issues as follows:

- 1. The People hereby amend the complaint to name D.R Horton, Inc. Sacramento, a California corporation, as Doe No. I, and hereby dismisses D.R. Horton, Inc., a Delaware corporation, which was erroneously named as a defendant in this action.
- 2. This court has jurisdiction of the subject matter of this action and each of the parties hereto.
- 3. As alleged in the complaint, this action is based on certain events which occurred between November 2003 and March 2004 at the Sierra Valley Oaks construction site, a residential construction project undertaken by defendant D.R. HORTON, Inc. Sacramento ("HORTON") in the City of Rocklin, County of Placer.
- 4. This stipulated judgment does not constitute evidence against, or an admission by, defendant HORTON, regarding any issue of law or fact alleged in the complaint. HORTON continues to deny the allegations in the complaint.
- 5. Nonetheless, in order to avoid the delay, uncertainty, inconvenience and expense of prolonged litigation of the claims in the complaint, the parties agree to resolve this matter on the terms stated herein. Defendant HORTON agrees to and shall pay the total sum of Two Hundred Fifty-One Thousand Dollars (\$251,000.00) pursuant to the Business and Professions and Fish

and Game Codes, in full and final settlement of this action, as follows: a civil penalty in the amount of Seventy-Five Thousand Dollars (\$75,000.00) shall be due and payable within thirty (30) days of the filing of this stipulation, by check payable to (and delivered to) the Placer County District Attorney Consumer Protection/Environmental Unit, Attention Deputy District Attorney Carl D. Mayhew, 11562 B Avenue, Auburn, CA 95603.

- 6. The sum of sixty-two thousand dollars (\$62,000.00) shall be made payable to the Dry Creek Conservancy and delivered to the Placer County District Attorney Consumer Protection/Environmental Unit, Attention Deputy District Attorney Carl D. Mayhew, 11562 B Avenue, Auburn, CA 95603 within thirty (30) days of the filing of this stipulation.
- 7. The sum of eighty-one thousand dollars (\$81,000.00) shall be made payable to the Fish and Wildlife Pollution Account/DFG. The sum of \$81,000.00 includes \$6,000.00 which is the agreed figure for costs expended by the Department of Fish and Game in its investigation of this matter. Such \$81,000.00 sum shall be sent to the California Department of Fish and Game, office of Spill Prevention and Response, attn: Wendy Johnson, Staff Counsel, P.O. Box 160362, Sacramento, CA 95816 within thirty (30) days of the filing of this stipulation.
- 8. The sum of eighteen thousand dollars (\$18,000.00) shall be made payable to the State Water Pollution Cleanup and Abatement Account for costs of investigation, and delivered to

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the Placer County District Attorney Consumer Protection/Environmental Unit, Attention Deputy District Attorney Carl D. Mayhew, 11562 B Avenue, Auburn, CA 95603 within thirty (30) days of the filing of this stipulation.

- 9. The sum of ten thousand dollars (\$10,000.00) shall be made payable to the California District Attorneys Association (CDAA) Environmental Circuit Prosecutors Project and delivered to the Placer County District Attorney Consumer Protection/Environmental Unit, Attention Deputy District Attorney Carl D. Mayhew, 11562 B Avenue, Auburn, CA 95603 within thirty (30) days of the filing of this stipulation.
- 10. The sum of five thousand dollars (\$5,000.00) shall be made payable to the City of Rocklin, California for parks and recreation projects and delivered to the Placer County District Attorney Consumer Protection/Environmental Unit, Attention Deputy District Attorney Carl D. Mayhew, 11562 B Avenue, Auburn, CA 95603 within thirty (30) days of the filing of this stipulation.
- 11. This agreement is the result of negotiation which included representatives of the California Department of Fish and Game, the Regional Water Quality Control Board for the Central Valley (Regional Board), the Placer County District Attorney's Office, the City of Rocklin, California, and the National Oceanic and Atmospheric Administration. The People of the State of California, pursuant to the interagency negotiations engaged in by the parties, fully and finally release all claims, civil or

criminal--except for potential claims arising under the California Water Code-- relating to or arising from the facts alleged in the complaint and defendant HORTON's actions or inactions from July 1, 2003 to the present at the Sierra Valley Oaks construction site described in paragraph 2 above. Release of potential Water Code claims arising from the facts alleged in the complaint is addressed separately.

12. Jurisdiction is retained for 180 days after entry of this stipulation to permit Plaintiff to enforce this judgment in the event that defendant Horton fails to pay the amounts it has agreed to pay in this stipulation. Once this stipulated judgment has been satisfied by defendant HORTON's payment of the amounts it has agreed to pay, jurisdiction is automatically terminated. If defendant Horton does not make the agreed payments within the agreed time period of thirty (30) days after the entry of judgment based on the stipulation, Plaintiff, at its sole option, may choose to take any and all enforcement action allowed by law or serve the underlying complaint and proceed to full litigation of this matter in all applicable forums.

PLAINTIFFS:

| DATED: | 4/10/07 | |
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BRADFORD R. FENOCCHIO DISTRICT ATTORNEY

BY:

ZABZ D. MAYHEW

DEPUTY DISTRICT ATTORNEY

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| 5 | DEFENDANT: |
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| 7 | DATED: Of Amus 2007 WILLIAM E. MAYER, Vice President |
| 8 | and General Counsel for D.R. HORTON, Inc Sacramento, |
| 9 | Defendant Defendant |
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| 13 | IT IS SO ORDERED, ADJUDGED AND DECREED. |
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| 15 | DATED: |
| 16 | JUDGE OF THE SUPERIOR COURT |
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